

BAKER & MILLER PLLC

ATTORNEYS and COUNSELLORS
2401 PENNSYLVANIA AVENUE, NW
SUITE 300
WASHINGTON, DC 20037

TELEPHONE: (202) 663-7820
FACSIMILE: (202) 663-7849

217327

William A. Mullins

DIRECT DIAL: (202) 663-7823
E-Mail: wmullins@bakerandmiller.com

August 18, 2006

BY E-FILING

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

RE: STB Finance Docket No. 34905
Village Of Croton-On-Hudson, New York v. Buffalo Southern Railroad, Inc., et al.
Report of Greentree Realty, LLC on Discovery and Procedural Matters

Dear Secretary Williams:

On behalf of Greentree Realty, LLC ("Greentree"), this letter will serve as a report in accordance with 49 CFR §1111.10(a). Counsel for Greentree, Buffalo Southern Railroad, Inc. ("BSOR"), RS Acquisition Co., LLC ("RSA"), Northeast Interchange Railway, LLC ("NIR"), and the Village of Croton-on-Hudson, New York (the "Village") conferred on August 8, 2006 to discuss discovery and procedural matters relating to the above-captioned case. The parties were unable to agree on a proposed discovery and procedural schedule and the Village and BSOR, RSA, and NIR have submitted their separate reports in accordance with the regulations. This serves as Greentree's report.

The Village's proposal was set forth in its letter to the Board dated August 9, 2006, entered into the record on August 15. BSOR, RSA, and NIR filed their comments in a letter dated August 14, which was also entered into the record on August 15. The Village sets forth an elaborate discovery and procedural schedule which would begin immediately. BSOR, RSA, and NIR disagree with the Village's proposal and suggest that all parties be directed to submit a discovery and procedural proposal only after the Board has considered the pleadings in this case and in Finance Docket No. 34903 and has provided guidance to parties with respect to the handling of these related cases. Greentree basically supports the position advocated by BSOR, RSA, and NIR.

BAKER & MILLER PLLC

Honorable Vernon A. Williams

August 18, 2006

Page 2

On August 15, Greentree filed a Motion To Dismiss ("Motion") the Village's complaint, at least as to Greentree. As set forth in the Motion, Greentree is a non-carrier corporation that does not own or control any rail carriers nor is it affiliated with any rail carriers. Greentree is merely a landowner who leased its property to a tenant and that tenant in turn sub-leased the property to a rail carrier. Given the status of Greentree, and for the legal reasons set forth in the Motion, Greentree believes it should be dismissed from the complaint proceeding. As such, the commencement of discovery against Greentree at this stage of the proceeding would be expensive, require a significant amount of work from Greentree's employees and management, and basically serve only to harass Greentree inasmuch as Greentree has no information relevant to whether or not BSOR should or should not have obtained STB authority to operate on Greentree's property.

There is no prejudice to the Village by delaying discovery in this complaint proceeding, especially as against Greentree, until the Board rules on the Motion and the corresponding petitions to hold in abeyance. If the Board does not grant Greentree's Motion and determines to proceed with the complaint proceeding without first ruling on the abeyance petitions or the Motion, then at that time, the parties should be permitted, in light of the Board's decision, to confer and submit a proposal or proposals concerning the scope of discovery and an appropriate procedural schedule.

Alternatively, if the Board determines to move forward with the discovery stage of the proceeding at this time, Greentree would propose that the following schedule should be applied:

D = Date of Decision (either Secretary order setting out schedule or Board order denying Motion and/or petitions to hold in abeyance)

D + 60	Discovery Period
D + 90	Village Files Opening Evidence
D + 120	Reply Evidence Due
D + 140	Village Rebuttal Due
D + 160	Simultaneous Briefs Due

Greentree believes that this schedule would provide sufficient time for discovery, including motions to compel, and provide the Board with both the flexibility and time to rule upon any discovery disputes. Greentree therefore requests that this schedule be adopted should the Board move forward with the complaint proceeding, although, again, Greentree does not believe it should have to bear the burden and expense of being a named defendant.

This letter is being e-filed in the above-captioned matter. I certify that I have served a copy of this letter via electronic format and through first class mail on counsel for all parties of

BAKER & MILLER PLLC

Honorable Vernon A. Williams

August 18, 2006

Page 3

record. If there are any questions about this matter, please contact me directly, either by telephone: (202) 663-7823 or by e-mail: wmullins@bakerandmiller.com.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'William A. Mullins', with a long horizontal flourish extending to the right.

William A. Mullins
Attorney for Greentree Realty, LLC

cc: All Parties of Record